

# **Iraq Weekly Status Report**

**July 09, 2008**

**Bureau of Near Eastern Affairs  
US Department of State**

**Unclassified**



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## HIGHLIGHTS

- Iraqi factions meet in Baghdad to continue Helsinki talks on political reconciliation. (**POLITICAL, page 4**)
- Iraqi Company SWAT Teams Capture Five Suspected Special Groups Criminals. (**SECURITY, page 8**)
- Iraqi Ministry of Finance announced its plans for a supplemental budget. (**ECONOMIC, page 11**)
- UAE announces that all of Iraq's debt will be cancelled and appoints ambassador to Baghdad. (**DIPLOMATIC, page 22**)



## POLITICAL - Governance & Legislation

### July 7 Elections Law Update:

- During the July 7 COR session, Speaker Mashadani announced that an agreement has not been reached on Kirkuk for the upcoming provincial elections. Mashadani announced that if no agreement is reached by July 15, he will bring the law to a vote where members can vote item-by-item on disputed passages.

### Iraqi Leaders Attempt Reconciliation at Helsinki Conference in Baghdad:

- Iraqi politicians and factions attended a conference July 2 held in Baghdad to further discuss reconciliation efforts. The conference followed two similar meetings held in Helsinki, Finland. Although disagreements were clear, the parties produced a document outlining 17 principles that signatories should follow, such as limiting arms possessions to the government, respecting minorities' rights, and rejecting foreign influence in Iraq's internal affairs. It also called for the Awakening Councils to be merged into state institutions.

## POLITICAL - Provincial



### Babil PC Ends Boycott of USG:

- On June 30, Babil Provincial Council Chairman (PCC) al-Massudi and Governor al-Muslimawi agreed to end a two-week boycott of US entities working out of the al-Hillah Regional Embassy Office. The boycott resulted from PC displeasure with recent Coalition Force operations in the province.



# POLITICAL – Government of Iraq

Coalition Affiliation (at time of appointment)

United Iraq Alliance

Kurdistani Alliance

Iraqi Accord Front

Iraqi National List

Other / Independent

(F) = Female

\*Formerly Tawafuq

\*\*Formerly Sadrist/UIA

\*\*\*Formerly Iraqiya

**Prime Minister**

Nuri al-Maliki

**Deputy Prime Minister**

\* Vacant

**Deputy Prime Minister**

Barham Salih

**President**

Jalal Talabani

**Deputy President**

Tariq al-Hashimi

**Deputy President**

'Adil 'Abd al-Mahdi

**Minister of Agriculture**

Ali al-Bahadeli

**Minister of Communications**

\*\*\* Vacant

**Minister of Culture**

\* Vacant

**Minister of Defense**

Abdul Qadir Muhammed  
Jasim al-Mufraji

**Minister of Displacement & Migration**

Abd al-Samad Rahman  
Sultan

**Minister of Electricity**

Karim Wahid

**Minister of Education**

Khudayyir al-Khuza'i

**Minister of Environment**

Narmin 'Uthman (F)

**Minister of Finance**

Bayan Jabr

**Minister of Foreign Affairs**

Hoshyar Zebari

**Minister of Health**

Saleh al-Hasnawi

**Minister of Higher Education**

\* Vacant

**Minister of Human Rights**

Wijdan Mikha'il (F)

**Minister of Industry & Minerals**

Fawzi al-Hariri

**Minister of Interior**

Jawad al-Bulani

**Minister of Justice**

\*\*\* (Safa al Safi  
acting)

**Minister of Housing & Construction**

Bayan Daza'l (F)

**Minister of Labor & Social Affairs**

Mahmud Muhammad  
Jawad al-Radi

**Minister of Oil**

Husayn al-Shahristani

**Minister of Planning**

Ali Baban

**Minister of Trade**

Abd al-Falah al-Sudani

**Minister of Science & Technology**

Ra'id Fahmi Jahid

**Minister of Municipalities & Public Works**

Riyad Ghurayyib

**Minister of Transportation**

\*\* Vacant

**Minister of Water Resources**

'Abd al-Latif Rashid

**Minister of Youth & Sports**

Jasim Muhammad Ja'far

**Minister of State for Civil Society**

\* (Wijdan Mikha'il  
Acting) (F)

**Minister of State for National Dialogue Affairs**

Akram al-Hakim

**Minister of State for National Security Affairs**

Shirwan al-Waili

**Minister of State for Foreign Affairs**

\* Vacant

**Minister of State for Governorates Affairs**

Sa'd Hashim

**Minister of State for Tourism and Antiquities**

\*\* Vacant

**Minister of State for Women's Affairs**

\*\* (Narmeen Othman Acting)

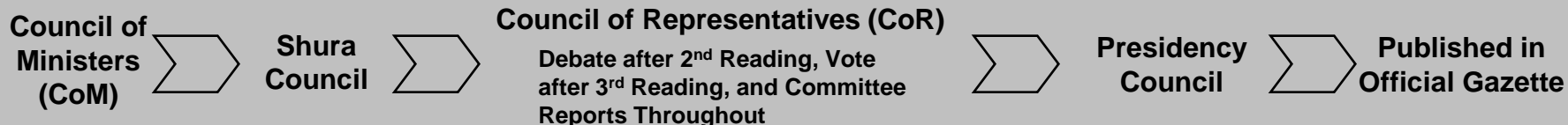
**Minister of State for CoR Affairs**

Safa al-Safi



# POLITICAL – Key Legislation and Refugee Update

## Legislative Process



<b>Provincial Elections</b>	The CoR is currently considering reviewing the law, which will set the legal basis and structure of provincial elections.
<b>Hydrocarbons Package</b>	The level of control allocated to the central government in the July 2007 draft version of the Framework Law (currently in CoR Committee) is the key point of disagreement; there may be more progress on the Revenue Management Law, currently with the Shura Council, in the coming months.
<b>Amnesty Law</b>	<b>PASSED:</b> CoR approved the law on February 13; the law was signed by the Presidency Council February 26 and was implemented March 2.
<b>Pensions Amendment</b>	<b>PASSED:</b> Published in the Official Gazette December 2007.
<b>De-Ba'athification Reform</b>	<b>PASSED:</b> Approved by default by the Presidency Council February 2008. Published in the Official Gazette in mid-February.
<b>Provincial Powers</b>	<b>PASSED:</b> CoR approved the law on February 13; the law was vetoed by the Presidency Council February 26. The veto was rescinded on March 19, allowing the law to take effect.

## Refugee Update

Refugees in the region: 2-2.4 million

Internally displaced persons in Iraq: 2.2-2.7 million

Total number of Iraqi refugees admitted to the U.S. during to date in FY07-FY08: 8217



## SECURITY - Situation Update

### Iraqi Company SWAT Teams Capture Five Suspected Special Groups Criminals:

- In two separate operations in central Iraq July 6, Al-Kut Iraqi Company Special Weapons and Tactics (CSWAT) arrested four suspected Special Groups criminals in Wasit province. The four suspects were believed to be members of an assassination and intimidation cell that threatened a Wasit province tribal leader for inviting Coalition Forces to his home. Meanwhile, Hillah CSWAT captured an alleged Special Groups member suspected of being a weapons smuggler and Special Groups criminal financier, in a separate operation.

### National Police Seize Weapons Cache in New Baghdad:

- Iraqi National Police (NP) seized a cache in the New Baghdad security district of eastern Baghdad June 29. While conducting a dismounted patrol, NPs received a tip from an area resident that led them to a weapons cache containing improvised explosive devices, 21 60 mm mortars, 12 mortar fuses, mortar charges, and 9 mm pistols.



## SECURITY – Security Transition

### Iraqi Police Receive New Ford Cargo Trucks:

- The Iraqi National Police (NP) recently received 82 Ford F-550 cargo trucks to help provide better protection to the citizens of Iraq. The Directorate of Interior Affairs arranged the transfer of the vehicles to the NP through the Iraqi Security Forces Fund to speed up the development and capabilities of the NP force. The NP serves an important role in restoring peace and to help develop connection with the local citizens in communities around Baghdad such as Adhamiyah and Sadr City.

### Iraqi Air Force Developing Night Combat Capability:

- The Iraqi Air Force recently received new night vision technology that will help them expand their mission and fight insurgents around the clock.



# SECURITY - Iraqi Security Forces

Iraq Security Forces as of April 30, 2008 <sup>a</sup>			
Component	Current Authorized Personnel <sup>b</sup>	Assigned Personnel <sup>c</sup>	Total Trained Personnel to date <sup>d</sup>
<b>Ministry of Interior (Mol) Forces <sup>e</sup></b>			
Iraqi Police Service <sup>f</sup>	288,001	289,106	174,837
National Police <sup>g</sup>	33,670	34,907	46,670
Border Enforcement	38,205	41,017	30,373
<b>Total Mol</b>	<b>359,876</b>	<b>365,030</b>	<b>251,880</b>
<b>Ministry of Defense (MoD) Forces <sup>h</sup></b>			
Army	154,598	172,235	199,277
Support Forces	15,583	17,739	20,569
Air Force	2,907	1,567	1,595
Navy	1,893	1,783	1,494
<b>Total MoD</b>	<b>174,981</b>	<b>193,324</b>	<b>222,935</b>
<b>Counter Terrorism Bureau</b>			
Special Operations	4,733	3,609	3,709
<b>Total Iraqi Security Forces</b>	<b>539,590</b>	<b>561,963</b>	<b>478,524</b>

\*\*The decrease in authorized MoD forces from the April 30 Weekly Status Report with ISF data as of March 31 reflects a change in a temporary GOI policy to increase front line units to 120% of authorized end strength to maintain present-for-duty totals at 100% while soldiers took leave. This change will make ISF reporting consistent with standard military personnel accounting practices in other countries and provide a clearer representation of ISF manning levels.

a. Numbers do not include ministry staffs.

b. Numbers reflect Government of Iraq (GOI) authorizations.

c. Numbers are based upon GOI payroll data and do not reflect present for duty totals.

d. Numbers reflect total Iraqi Security Forces (ISF) personnel trained to date, some of which are no longer assigned due to casualties, AWOL, and normal separation.

e. Mol strength excludes other services within Ministry Of Interior (MOI), including the MOI HQ, MOI Forensics, Facility Protection Services, and contracted guards.

f. The Iraqi Police Service consists of all provincial police forces (station, patrol, traffic, and special units) assigned to all 18 Iraqi provinces.

g. Includes the national Emergency Response Unit.

h. The Ministry Of Defense (MOD) authorized numbers are derived from Modified Tables of Organization and Equipment (MTOEs).

i. The MoD Army Training and Support Forces include logistics units and training center cadre.

j. Does not include personnel assigned to Counterterrorism Bureau (CTB) or Counterterrorism Command (CTC) headquarters.



## ECONOMIC – Economic & Government Capacity Update

### Iraqi Ministry of Finance Announces Plans to Increase Budget:

- Iraq's Ministry of Finance announced its desire to increase its 2008 budget by 44%, adding \$21 billion to the \$48 billion budget from February 2008. The plans for a supplementary budget come as oil prices hit record highs. The supplemental budget, which will be used to improve basic services and repair infrastructure in Iraq, will be put before the economic committee of Iraq's cabinet and the Parliament.



## ECONOMIC – Oil

### Crude Oil Update:

*Price averages in world markets closed with the following prices:*

Basrah Light at \$133.01/barrel

Dated Brent at \$142.65/barrel

WTI Cushing at \$142.46/barrel

Oman/Dubai at \$138.41/barrel

*Revenue estimates:*

2006: \$31.3 Billion

2007: \$41.0 Billion

2008: \$28.5 Billion (ytd)

### Total Will Not Sign Large Oil Contract:

- Christophe de Margerie, the chief executive of the French oil company Total, announced July 1 that Total was unlikely to sign any large oil deal in Iraq, but it was close to signing a service contract with the Government of Iraq.



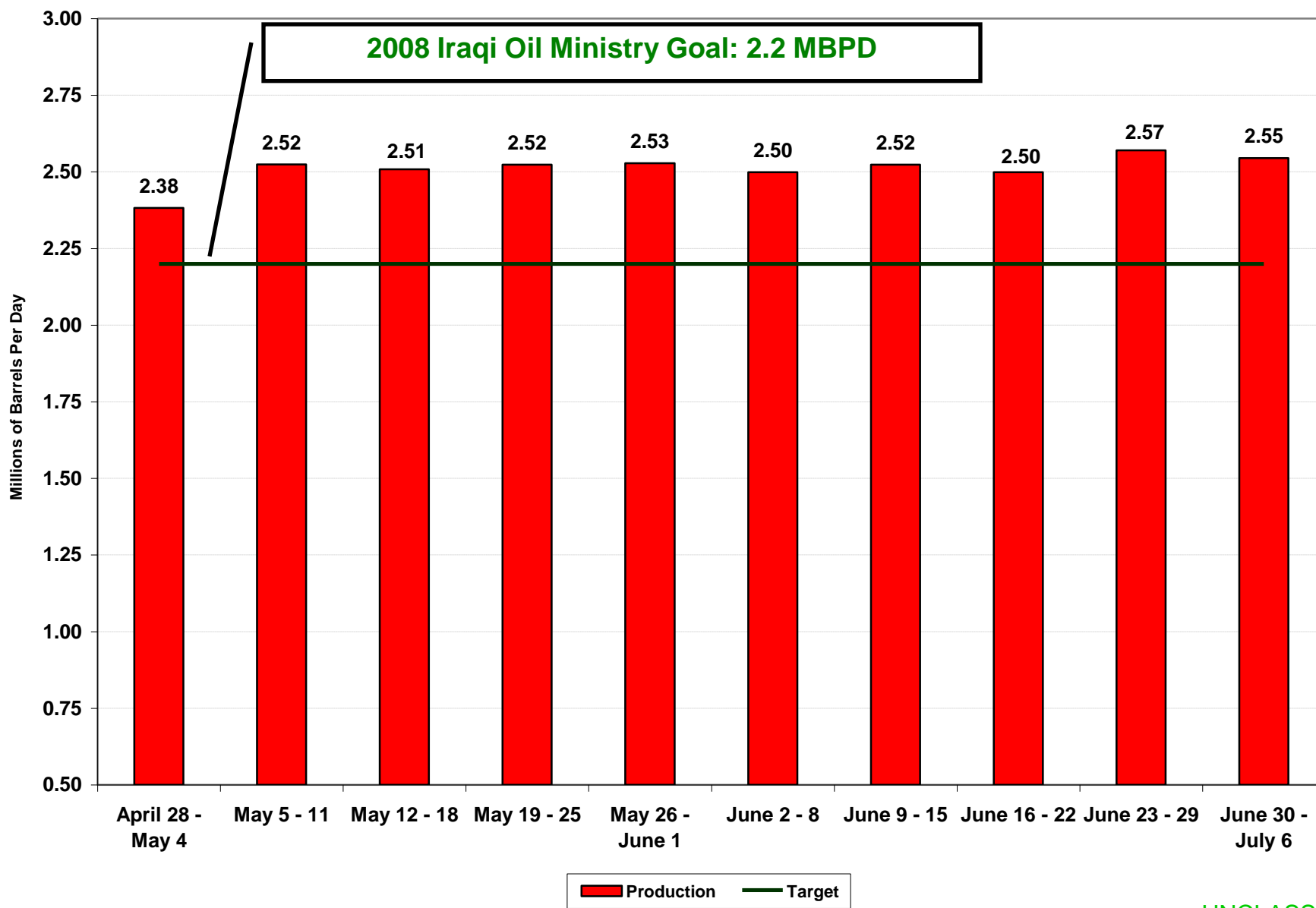
## ECONOMIC – Essential Services

### Electricity Output Up 10% in First Six Months of 2008:

- Iraqi electricity production in the first six months of 2008 was up over 10 percent as compared to production in the first half of 2007. Recent improvements in security have allowed the Government of Iraq to repair damaged power stations and build new infrastructure, although current output levels are still not enough to meet electricity demand.

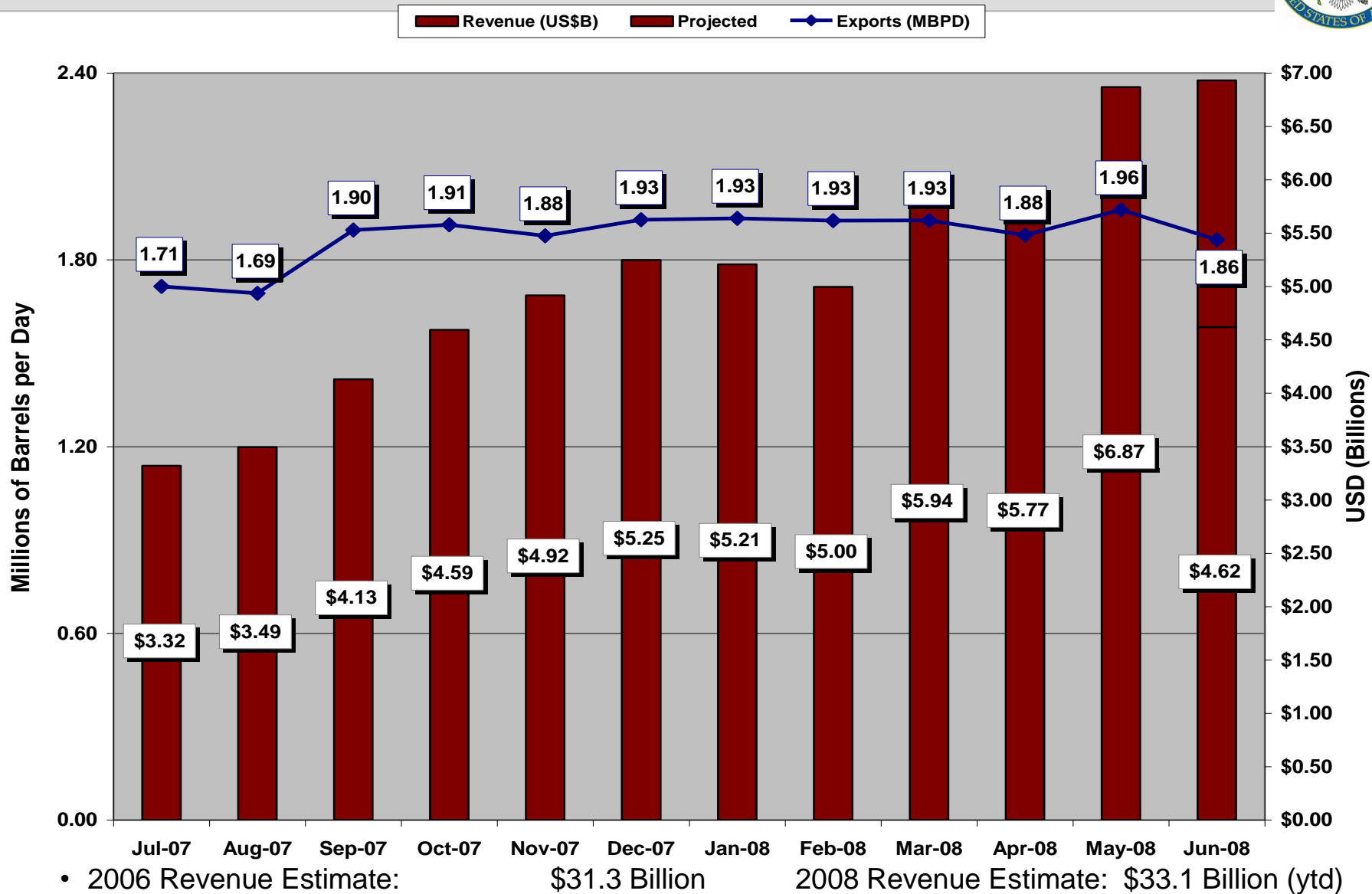


## ECONOMIC – Crude Oil Production



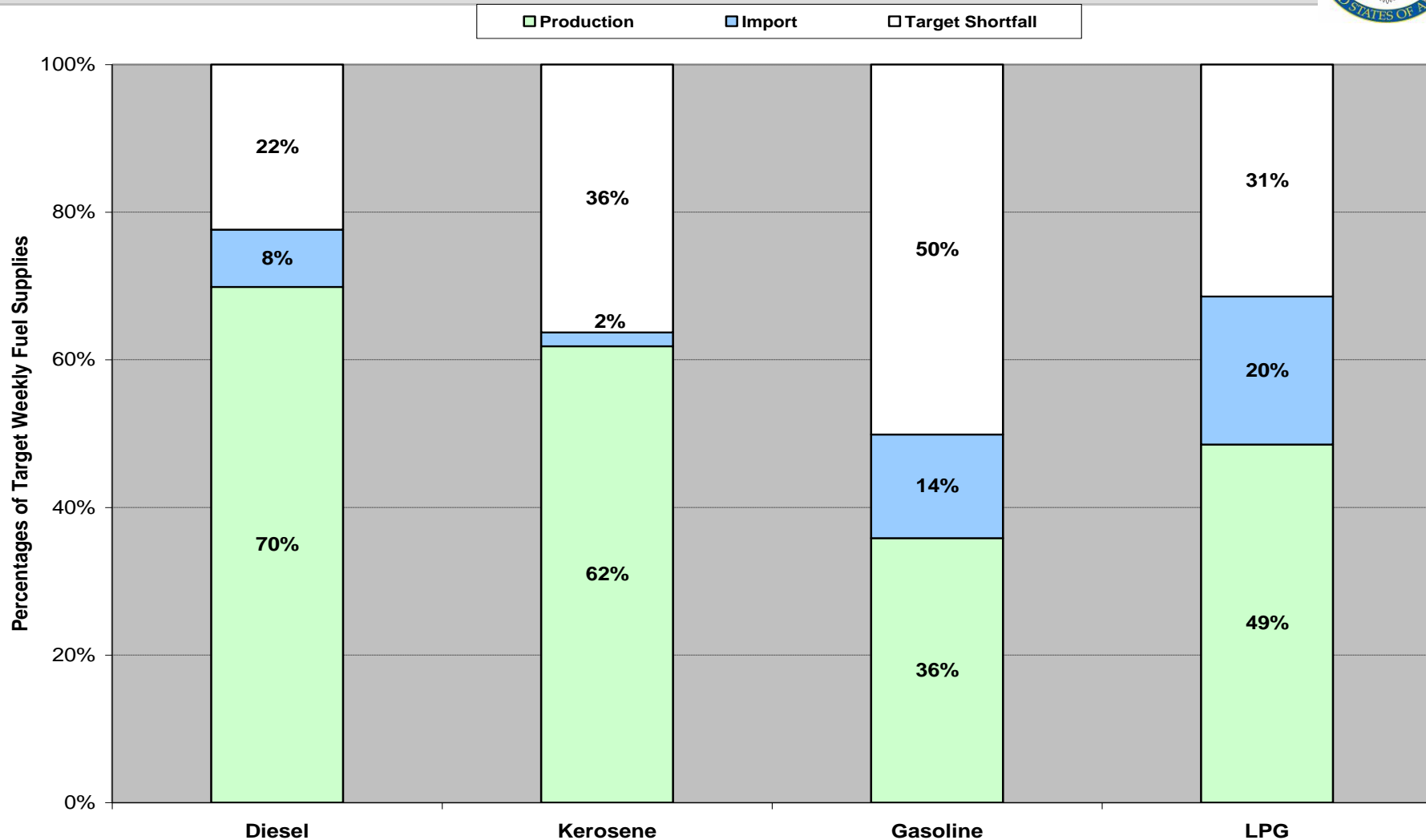


# ECONOMIC – Crude Oil Export





# ECONOMIC – Total Critical Refined Product Supplies



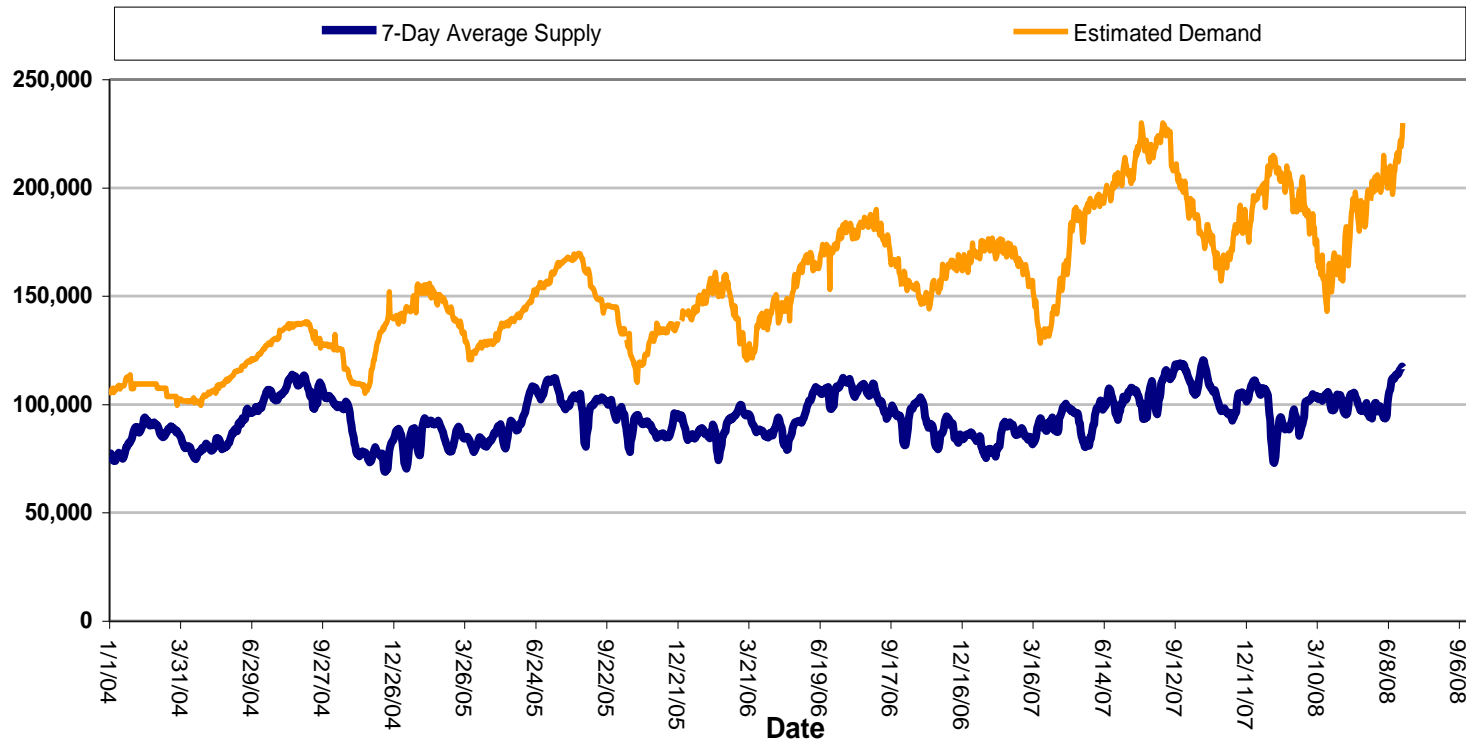
Note: This is a daily average for June 23 – July 6

- Diesel: 21.4 ML supply of 24.5 ML target
- Kerosene: 9.3 ML supply of 14.6 ML target
- Gasoline: 13.5 ML supply of 26.8 ML target
- LPG: 3,204 tons supply of 5,100 tons target



# ECONOMIC – Electricity

Daily Electricity Supplied and Estimated Demand in Iraq Since January 2004

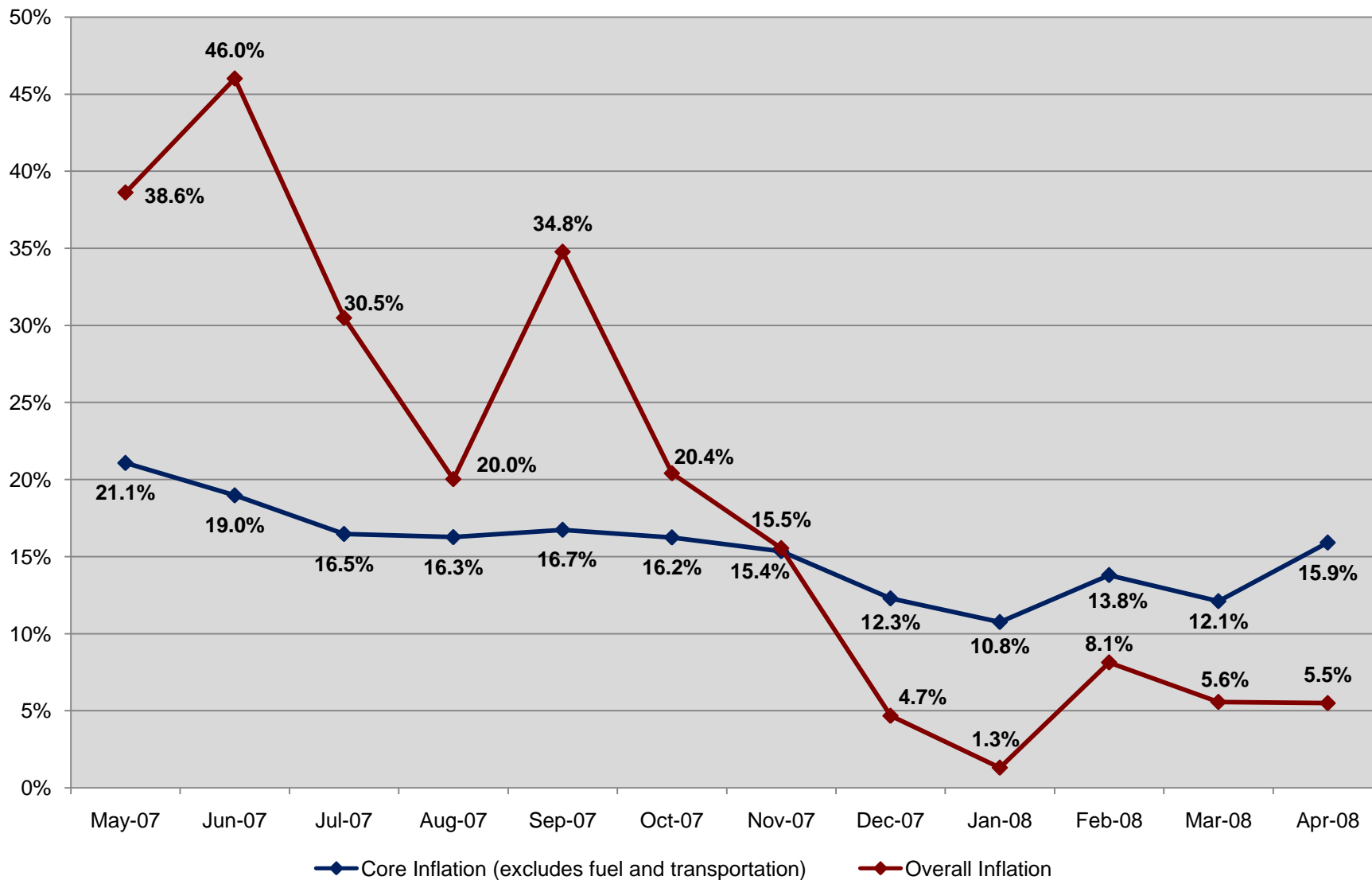


- Daily electricity demand July 1-7 was 9% above the same period last year. Daily supply from the grid was 15% above the year-earlier period and met 54% of demand, compared with 49% for the year-earlier period.
- For July 1-7 average hours of power from the grid after meeting demand from essential services were Baghdad: 11.5 and national 11.7. Year-ago levels were Baghdad 5.9 and national 10.6.



## ECONOMIC – Economic Indicators

### Year-on-Year Inflation





## ECONOMIC – Economic Indicators

Economic Indicator	This Week	Last Week	Last Month	Last Year
<b>Iraqi Commercial Bond Sales</b>				
Price (USD)	\$72.37	\$73.02	\$74.13	\$62.82
Yield	8.78%	8.69%	8.55%	10.16%
<b>Central Bank's USD Currency Auction</b>				
USD Sold	\$81,625.80	\$93,957.00	\$57,872,489	\$66,957,492
NID Exchange Rate	\$1,195	\$1,196	\$1,197	\$1,254
<b>Total Employed by USG Programs</b>				
	121,120	121,120	134,900	N/A



# ECONOMIC - Iraq Relief and Reconstruction Fund (IRRF) 1 and 2



## IRRF I & II Financial Summary by Sector

Data as of 8 July 08

Sector\Status			Committed			Obligated			Disbursed		
(Millions of USD)	Allocated	Un-allocated	Last Week	Current	Change	Last Week	Current	Change	Last Week	Current	Change
Security and Law	\$4,967	\$11	\$4,943	\$4,943	\$0	\$4,943	\$4,943	\$0	\$4,865	\$4,865	\$0
Justice and Civil Society	\$2,304	\$15	\$2,265	\$2,265	\$0	\$2,258	\$2,258	\$0	\$2,175	\$2,176	\$1
Electricity Sector	\$4,188	\$25	\$4,071	\$4,071	\$0	\$4,050	\$4,051	\$0	\$3,861	\$3,873	\$12
Oil Infrastructure	\$1,718	\$7	\$1,597	\$1,597	\$0	\$1,597	\$1,597	\$0	\$1,578	\$1,578	\$0
Water and Sanitation	\$2,062	\$23	\$1,975	\$1,982	\$7	\$1,951	\$1,952	\$1	\$1,820	\$1,823	\$3
Transportation and Comm	\$462	\$2	\$458	\$458	\$0	\$458	\$458	\$0	\$416	\$417	\$1
Roads, Bridges and Const	\$324	\$4	\$313	\$313	\$0	\$313	\$313	\$0	\$254	\$256	\$2
Health Care	\$810	\$9	\$787	\$788	\$0	\$778	\$778	\$0	\$736	\$737	\$1
Private Sector Development	\$838	\$1	\$820	\$820	\$0	\$820	\$820	\$0	\$814	\$814	\$0
Edu, Refugees, Human Rights	\$460	\$0	\$431	\$431	\$0	\$431	\$431	\$0	\$407	\$407	\$0
Admin Expense (USAID, DoS)	\$220	\$0	\$218	\$218	\$0	\$218	\$218	\$0	\$208	\$208	\$0
<b>Total IRRF II</b>	<b>\$18,352</b>	<b>\$97</b>	<b>\$17,880</b>	<b>\$17,888</b>	<b>\$8</b>	<b>\$17,817</b>	<b>\$17,819</b>	<b>\$1</b>	<b>\$17,135</b>	<b>\$17,154</b>	<b>\$19</b>
IRRF II Non-Construction	-	-	\$7,964	\$7,965	\$0	\$7,949	\$7,949	\$0	\$7,734	\$7,738	\$4
IRRF II Construction	-	-	\$9,396	\$9,403	\$8	\$9,349	\$9,350	\$1	\$8,883	\$8,899	\$16
IRRF II Overhead	-	-	\$520	\$520	\$0	\$520	\$520	\$0	\$517	\$517	\$0
<b>Total IRRF I</b>	<b>\$2,475</b>	<b>\$0</b>	<b>\$2,291</b>	<b>\$2,291</b>	<b>\$0</b>	<b>\$2,232</b>	<b>\$2,232</b>	<b>\$0</b>	<b>\$2,139</b>	<b>\$2,139</b>	<b>\$0</b>
<b>Grand Total IRRF I &amp; II</b>	<b>\$20,827</b>	<b>\$97</b>	<b>\$20,171</b>	<b>\$20,179</b>	<b>\$8</b>	<b>\$20,050</b>	<b>\$20,051</b>	<b>\$1</b>	<b>\$19,274</b>	<b>\$19,293</b>	<b>\$19</b>

Apportion amounts reflect those of the latest Executive Office of the President Report, published by the Office of Management and Budget. Committed, obligated and disbursed amounts reflect last numbers reported by each agency.



## DIPLOMATIC – Political Engagement

### Bahrain Names a New Ambassador to Iraq :

- Ambassador Saeed Al-Faihani, an advisor to Bahrain's Foreign Minister, confirmed reports that Bahrain had nominated an ambassador to Iraq. Faihani said the GOB requested Iraq's agreement July 7 for Salah Ali al-Maliki. Faihani said al-Maliki works in the ministry's international organizations department, and recently returned from a two-year tour in New York.

### Jordanian King Postpones Visit to Iraq :

- On July 8, King Abdullah postponed his planned trip to Iraq. Iraqi spokesman Ali al-Dabbagh said the King's "commitments" prevented from visiting Baghdad. Naseer al-Ani, a senior official in President Jalal Talabani's office, said, "[n]o new date has been set" for the King to travel to Iraq.

### Turkish Prime Minister to Visit Iraq:

- At a press conference on July 2, Iraqi Foreign Minister Hoshyar Zebari said he expected Turkish Prime Minister Tayyip Erdogan to visit Iraq soon.



## DIPLOMATIC – Economic Engagement

### UAE Cancels Iraq's Debt, Appoints Ambassador:

- During Prime Minister Maliki's visit to the UAE, President Sheikh Khalifa bin Zayed al-Nahyan announced that all of Iraq's debt will be cancelled. It is estimated that Iraq owed \$3.55 billion (\$7 billion in total including interest) to the UAE dating back to Saddam's rule. Sheikh Khalifa also appointed Ambassador Abdullah Ibrahim al-Shehhi as the new UAE Ambassador to Iraq and instructed that the UAE Embassy in Baghdad should be opened before the end of this year. The visit by Prime Minister Maliki was his first official visit to an Arab Gulf country.

### Omani Initiative for Economic Cooperation with Iraq :

- A high level Omani delegation visited Baghdad to discuss economic cooperation, at the initiative of the Sultan of Oman. Oman's initiative comes in the wake of the International Compact with Iraq (ICI) annual conference in Stockholm, where Prime Minister Maliki appealed to the international community to form new partnerships to take advantage of Iraq's emerging economic opportunities.



## DIPLOMATIC – Coalition Contributors

### 24 Countries with forces in Iraq (including US)

Albania	Czech Republic	Kazakhstan	Poland
Armenia	Denmark	Korea	Romania
Australia	El Salvador	Latvia	Tonga
Azerbaijan	Estonia	Lithuania	Ukraine
Bosnia-Herzegovina	Georgia	Macedonia	United Kingdom
Bulgaria	Japan	Mongolia	

**TOTAL ~ 9,372 Forces**

**30 Countries and NATO\***  
(including the US)  
**Support Iraqi Stability Operations**

\*30 includes the US, the 24 countries listed above, and six non-MNF-I countries: Hungary, Italy, Netherlands, Portugal, Slovenia, Turkey

Note: Fiji participating as a part of the UN Assistance Mission in Iraq (UNAMI), are not included.



## CONTACT INFORMATION

- This brief draws from multiple sources. References are cited on the following pages.
- Please forward all questions and/or comments to:  
[NEA-I-IPOG-DL@state.gov](mailto:NEA-I-IPOG-DL@state.gov)



## NOTES AND SOURCE CITATIONS (1 of 2)

Slide 4:

- COR Report July 7, 2008
- NY Times, July 7, 2008, [http://www.nytimes.com/2008/07/06/world/middleeast/06iraq.html?\\_r=1&ref=middleeast&oref=slogin](http://www.nytimes.com/2008/07/06/world/middleeast/06iraq.html?_r=1&ref=middleeast&oref=slogin)

Slide 5:

- NEA Political Section, NEA-I-POL-DL@state.gov

Slide 6-7:

- Al-Hillah 66, July 2, 2008

Slide 8:

- MNFI Press Release, July 7- [http://www.mnf-iraq.com/index.php?option=com\\_content&task=view&id=21028&Itemid=21](http://www.mnf-iraq.com/index.php?option=com_content&task=view&id=21028&Itemid=21)
- MNSTC-I Advisor, July 05- <http://www.mnstci.iraq.centcom.mil>

Slide 9:

- MNSTC-I Advisor, July 05, <http://www.mnstci.iraq.centcom.mil>
- MNSTCI Press Release, July 4- <http://www.mnstci.iraq.centcom.mil/Press.htm>

Slide 10:

- DoD Input to Iraq Weekly Status Report June 25, 2008
- Slide 11:
  - CNN, June 30: [http://money.cnn.com/news/newsfeeds/articles/djf500/200806300705DOWJONESDJONLINE000172\\_FORTUNE5.htm](http://money.cnn.com/news/newsfeeds/articles/djf500/200806300705DOWJONESDJONLINE000172_FORTUNE5.htm)

Slide 11:

- International Herald Tribune, July 3: <http://www.iht.com/articles/2008/07/02/business/02budget.php>

Slide 12:

- Reuters, July 2: <http://www.reuters.com/article/rbssEnergyNews/idUSWLA568720080701>



## NOTES AND SOURCE CITATIONS (2 of 2)

Slide 13-16:

- Department of State, NEA/I Economic/Assistance Section, NEA-I-ECON-DL@state.gov

Slide 17:

- Department of State, NEA/I Economic/Assistance Section, NEA-I-ECON-DL@state.gov
- The chart shows average daily power production in megawatt hours (MWh). 120,000 MWh goal equates to 20 hours at 6000 MW average supplied load or 24 hours at 5000 MW average supply load.

Slide 18:

- Department of State, NEA/I Economic/Assistance Section, NEA-I-ECON-DL@state.gov

Slide 19:

- Derived from Multiple Sources. (ITAO IMU Essential Indicators Report, Baghdad, 10 July 2008) ( Bloomberg.org) (Central Bank of Iraq, Foreign Exchange Auction, CBiraq.org) <http://www.cbiraq.org/C.B.I.%20FOREIGN%20EXCHANGE%20AUCTIONS.pdf>

Slide 20:

- ITAO IMU Essential Indicators Report, Baghdad, 10 July 2008.

Slide 21:

- Gulf News -<http://www.gulf-news.com/news/gulf/bahrain/10227216.html>
- Reuters, Visit of Jordan's King Abdullah to Iraq delayed, <http://www.reuters.com/article/newsMaps/idUSL0818873920080708>)
- AP, Iraq says Jordan's king postpones Baghdad visit, [http://ap.google.com/article/ALeqM5gaj2WsWaxNkpoc\\_w9RDoXsD-KCEgD91POBF00](http://ap.google.com/article/ALeqM5gaj2WsWaxNkpoc_w9RDoXsD-KCEgD91POBF00)
- Reuters - <http://uk.reuters.com/article/middleeastCrisis/idUKL0243790220080702>

Slide 22:

- Embassy Abu Dhabi Reporting – July 7, 2008
- Embassy Baghdad- Economic Section – July 2, 2008

Slide 23:

- DOD Input to Weekly Status Report, updated July 02 2008